

County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION LOS ANGELES, CALIFORNIA 90012 (213) 974-1101 http://ceo.lacounty.gov

July 8, 2008

Board of Supervisors GLORIA MOLINA First District

YVONNE B. BURKE Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH Fifth District

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

DEPARTMENT OF TREASURER AND TAX COLLECTOR:
RECOMMENDATION TO AWARD CONTRACT FOR
REAL PROPERTY AUCTIONEERING SERVICES TO KENNEDY WILSON, INC.
(ALL DISTRICTS) (3 VOTES)

SUBJECT

The County Treasurer and Tax Collector (TTC) issued a Request For Proposal (RFP) to solicit proposals for Real Property Auctioneering Services. The California Probate Code requires the Public Administrator (PA) to take charge of and administer decedent estates for which no estate representative has been appointed. The TTC also serves as the PA and, under contract, also provides administrative services to the County Public Guardian as representative of certain conservatee estates. The PA has the fiduciary duty to take prompt possession or control of an estate that is subject to loss, injury, waste or misappropriation and to protect the interests of heirs and creditors in the estate. The proposal submitted by Kennedy Wilson, Inc. (KW) for these services was evaluated and rated according to their responsiveness to criteria included in the RFP. Based on TTC's evaluation, TTC is recommending approval and contract award to KW to provide continued real property auctioneering services.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chair to sign the attached contract with KW, to provide real property auctioneering services to TTC commencing August 19, 2008, or upon the date of Board approval, whichever is later, at a Commission Rate of 4% of the gross sales.

The Honorable Board of Supervisors July 8, 2008 Page 2

- 2. Delegate authority to TTC to execute future amendments to extend the contract for a maximum of four (4) one-year renewals and six (6) month-to-month extensions at the option of TTC in accordance with the Term of the contract.
- 3. Delegate authority to TTC to execute future amendments to modify the terms of the Statement of Work that do not materially alter the contract, and/or to add and/or change certain terms and conditions in the contract as required by the Board of Supervisors or Chief Executive Officer, provided County Counsel approval is obtained prior to execution of such amendments.
- 4. Delegate authority to TTC to approve if necessary, any assignment and delegation of services performed by KW, in order to ensure continuation of the real property auctioneering service needs to meet TTC's fiduciary obligations to decedent estates under its administration, provided that County Counsel approval is obtained prior to such assignment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The California Probate Code requires the PA of each county to take charge of and administer decedent estates for which no personal representative has been appointed. TTC serves as the PA for Los Angeles County and, under contract, also provides administrative services to the County Public Guardian as representative of certain conservatee estates. The California Probate Code authorizes the PA to sell personal property of decedent estates, when necessary for the best interest of the estates.

TTC currently contracts with KW to provide real property auctioneering services that will expire August 18, 2008. The new proposed contract with KW will ensure continuation of the real property auctioneering service needs of TTC. The recommended contract will commence August 19, 2008, or upon your Board's approval, whichever is later.

Implementation of Strategic Plan Goals

The approval of this contract is consistent with the County's Strategic Plan Goal of Organizational Effectiveness and Fiscal Responsibility. The recommended contract provides for ongoing real property auctioneering services.

FISCAL IMPACT/FINANCING

There is no net County cost, as the auctioneer will be paid a commission of up to a maximum of 4% of gross sales from each auction of estate assets.

The Honorable Board of Supervisors July 8, 2008 Page 3

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Government Code Section 31000, the Board is authorized to contract for special services. The contract contains the County's required provisions, including the requirement for the contractor to notify and assist its employees with the Federal Earned Income Tax Credit application process, the consideration of qualified GAIN/GROW participants for employment openings, compliance with the Jury Duty Ordinance, Safely Surrendered Baby Law, and contractor notification to County when contract is within six (6) months from expiration of term.

The recommended contract with KW is for a term of one (1) year with four (4) one-year and six (6) month-to-month extensions, for a maximum term of five (5) years and six (6) months. The contractor is in compliance with all Board, Chief Executive Office and County Counsel requirements. KW will not be asked to perform services that exceed the contract Commission Rate, scope of work, or contract dates of the contract. The contract expressly provides that the County has no obligation to pay for expenditures by KW that exceed the maximum contract Commission Rate. Additionally, the contract contains performance standards, including liquidated damages for substandard and/or non-performance.

The attached contract with KW has been reviewed and approved as to form by County Counsel.

CONTRACTING PROCESS

TTC released the RFP for Real Property Auctioneering Services on March 19, 2008. The RFP's were released to one hundred and thirty-six (136) prospective proposers; thirty-seven (37) via U.S. mail and ninety-nine (99) via e-mail. The prospective proposers are listed in Attachment I, which consists of TTC's proposers list, vendors researched from the Internet, and the Los Angeles County online Website of vendors. A notice of the RFP was posted on the TTC Website and the Los Angeles County Bid Website (Attachment II). A Mandatory Proposer's Conference was held Wednesday, April 9, 2008, with six (6) firms attending. The proposal submission due date was Wednesday, April 23, 2008.

One (1) firm responded with a proposal by the due date, KW, and one (1) late proposal was received on April 24, 2008 at 12:00 p.m. from Martin Mayerfeld Auctioneers. As stated in the RFP, the late proposal was returned to the proposer.

The proposal submitted by KW met all of the minimum RFP requirements and was responsive to the RFP. The proposal was evaluated and rated according to their

The Honorable Board of Supervisors July 8, 2008 Page 4

responsiveness to criteria included in the RFP. As required by TTC, the proposal submitted by KW provided a description of KW's qualifications, their proposed approach to provide services, and a quality control plan.

Minority, Women, Disadvantaged or Disabled Veteran Business Enterprise statistical information for KW is included in (Attachment III). KW is not a certified Small Business Enterprise/Community Based Enterprise. The recommendation of KW is made without regard to race, creed or color. There are no provisions for Cost of Living Adjustment in the attached contract. This is not a Proposition A contract; and therefore, is exempt from the Living Wage Program (County Code Chapter 2.201).

IMPACT ON CURRENT SERVICES

The current Contract for real property auctioneering services expires on August 18, 2008. The recommended Contract will enable the contractor to continue the provision of real property auctioneering services for TTC.

CONCLUSION

Instruct the Executive Officer of the Board to return two (2) signed originals of the contract and one (1) adopted Board letter to TTC.

Respectfully submitted,

WILLIAM T FUJIOKA Chief Executive Officer

WTF:MJS

Attachments

c: County Counsel Auditor-Controller Treasurer and Tax Collector Pacific Coast Realty & Auction Edmond Bisson 3810 Pacific Coast Hwy. Torrance, CA

A-Auctioneer Broker Co. Junius Johnson 124 N. Market Street Inglewood, CA 90301

Nationwide Auction Systems David Nelson 13005 Temple Avenue Industry, CA 91746

Kennedy-Wilson, Inc. Rhett Winchell 9601 Wilshire Blvd., Suite 200 Beverly Hills, CA 90210

Orrill's Auctions

1910 W. Adams Blvd. Los Angeles, CA 90018

Bendis Companies, Inc. Jan Bendis 3410 La Sierra Ave., Suite F-123 Riverside, CA 92503

Allstate – Interstate Auctions Alex Civca 9750 Telfair Ave. Arleta, CA 91331

Real Estate Disposition Corporation Robert Friedman 9 Goodyear Irvine, CA 92618

American Standard Auctioneers David Handelman 22647 Ventura Blvd., Suite 235 Woodland Hills, CA 91364 Fairway Real Estate Theora Granville 3659 Fairway Blvd. Los Angeles, CA 90043

Major Properties Brad Luster 1200 W. Olympic Blvd. Los Angeles, CA 90015

The Piatelli Co., Inc. Mario Piatelli 9300 Wilshire Blvd., Suite 520 Beverly Hills, CA 90212

Coulter and Associates Charles Coulter 471 W. Lambert Road, #113 Brea, CA 92821

A.N. Abell Auctioneers Robert Abell 2613 Yates Avenue Commerce, CA 90040

Sperry Van Ness, Inc. Aaron Betancourt 18881 Von Karmann #800 Irvine, CA 92612

Farash Real Estate Consulting Barbara Farash 8577 Rugby Dr., Suite 103 West Hollywood, CA 90069

Accelerated Marketing Group Todd Good 2102 Business Center Drive Irvine, CA 92612

U.S. Enterprises Walter Johnson PO Box 1337 Rancho Cucamonga, CA 91701 Homeowners Realty Inc. Verdel Hubbard 4401 Crenshaw Blvd., Suite 215 Los Angeles, CA 90043

Century Financial, Ltd. Martin Mayerfeld 867 W. Glentana Street Covina, CA 91722

Flans and Weiner, Inc. Larry Weiner 16200 Ventura Blvd., Suite 417 Encino, CA 91436

Coulter and Associates Becky Romero 451 W. Lambert Road, Suite 216 Brea, CA 92821

Pacific Credit Bob Andrade P.O. Box 488 Buena Park, CA 90621

James Burks, Jr. 304 South Central Avenue Compton, CA 90220

Fields Auction and Commercial Real Estate Services Rich Fields 23552 Saint Elena Mission Viejo, CA 92691

Joran Grinker and Associates Jordan Grinker 10590 Dunleer Drive Los Angeles, CA 90064

Baldwin Hills Realty, Inc. Frank Jones 2609 28th Street Santa Monica, CA 90405 Ocean Star Peter Lee 145 N. Atlantic Blvd., Suite 201 Monterey Park, CA 91765

Eric Montgomery 246 Sepulveda San Pedro, CA 90731

Max Rouse & Sons, Auctioneers Max Rouse 361 S. Robertson Blvd. Beverly Hills, CA 90211

Super Auctions Robert Storment PO Box 6922 Huntington Beach, CA 92615

Remarketing Associates, Inc. Jefferey Tanenbaum 28118 Agoura Road, #102 Agroua Hills, CA 91301

Rich Wasser, Auctioneers Rich Wasser 5825 Seaside Walk Long Beach, CA 90803 John S. Manocchia Auctioneer & Realtor John Manocchia 1741 N. Rose Street Burbank, CA 91505

The Liquidation Company, Inc. Brian Myers 19528 Ventura Blvd., #376 Tarzana, CA 91356

Robert Rouse & Associates Robert Rouse 1117 S. Roberton Blvd. Los Angeles, CA 90035

Joe Tadlock Auctioneer Joe Tadlock 13418 Leffingwell Road Whittier, CA 90605

Great American Auctioneers Jeffrey Tannenbaum 3847 Grand View Blvd. Los Angeles, CA 90066

Global Investment Enterprises Gregory Winslow 4311 Wilshire Blvd., Suite 312 Los Angeles, CA 90010 Thomas Maxim & Associates Thomas Maxim 4433 W. Sepulveda Blvd. Tarzana, CA 90505

Leonard M. Rood Company Leonard Rood 3832 Moundview Studio City, CA 91604

Schol Auction Service Robert Schol 18012 Hiawatha #164 Northridge, CA 91326

Auction-CA Leo Tamir 4850 Louise Ave. Encino, CA 91316

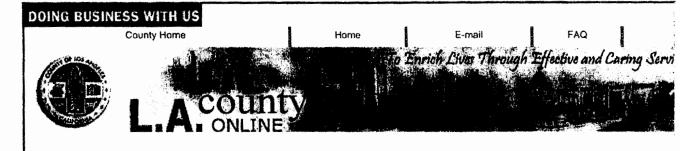
Walters and Associates Michael Walters 14731 Franklin Ave., Suite J Tustin, CA 92780

Sperry Van Ness, Inc. Patti Zeis 18881Von Karmann Irvine, CA 92612

FIRM/ORGANIZATION INFORMATION AS PROVIDED BY PROPOSER REAL PROPERTY AUCTIONEERING SERVICES

The following information was gathered for statistical purposes only. On final analysis and consideration of award, vendor was selected without regard to gender, race, creed or color.

FIRM INFORMATION	Kennedy Wilson	
CULTURAL/ETHNIC COMPOSITION	% of Ownership	No.
OWNERS/ PARTNERS:		
Black/African American	N/A	33 % 45
Hispanic/Latino	N/A	
Asian or Pacific Islander	N/A	
American Indian	N/A	
Filipino	N/A	
All others	N/A	
Women (included above)		
MANAGERS:		Parameter 1
Black/African American	2	
Hispanic/Latino	8	
Asian or Pacific Islander	4	
American Indian		
Filipino		
All others	95	
Women (included above)		
STAFF: No.		
Black/African American	16	
Hispanic/Latino	63	
Asian or Pacific Islander	18	
American Indian		
Filipino		
All others	98	
Women (included above)		
TOTAL NUMBER OF EMPLOYEES	304	
BUSINESS STRUCTURE	Corporation	
Certified as Minority, Woman, Disadvantaged or Disabled Veteran Business Enterprise?	No	



Search for an Open Bid ABCDEF GHIJKL MNOPQR

S T U V W X Y Z All

Search By

Bid Title

Submit

Sort By
Bid Title

Sort

Bid Detail Information

Bid Number: TTC RFP 2008-01 RPA

Bid Title: REAL PROPERTY AUCTIONEERING SERVICES TTC RFP 2008-01

Bld Type: Service

Department: Treasurer and Tax Collector
Commodity: AUCTIONEERING SERVICES

Open Date: 3/19/2008

Closing Date: 4/23/2008 4:00 PM

Bid Amount: N/A
Bid Download: Available

Bid Description: POTENTIAL PROPOSERS ARE RESPONSIBLE FOR CHECKING THIS WEBS

SUBSEQUENT UPDATES

The County of Los Angeles Treasurer and Tax Collector (TTC) is requesting property auctioneering services.

The RFP can be downloaded from the internet by either accessing the County of http://camisvr.co.la.ca.us/lacobids and selecting "View Open Bids" and then "Lis; website at: http://ttc.lacounty.gov by clicking on the "Contracting Opportunities" take care to download and review the entire RFP. The RFP contains the service content and format requirements, a description of the proposal selection process that meet the minimum requirements identified in the Minimum Mandatory Requirements are invited to submit a proposal to provide the services described further in (Appendix B) of the RFP. Potential Proposers should carefully review the RFP a complies with all RFP requirements.

A Mandatory Proposers' Conference, to answer questions regarding the written be held at 10:00 a.m., Pacific Time, on Wednesday, April 9, 2008, at the Hall of Temple Street, Room 140, Los Angeles, CA 90012. Any firm submitting a propo Conference or will be disqualified. To register to attend the Mandatory Proposer Mr. Victor Andrade, TTC Contracts Section, at (213) 893-0941 by April 7, 2008.

RFP responses must be prepared in accordance with Section 2.0, Proposal Sub RFP. Proposals are due no later than 4:00 p.m., Pacific Time, on Wednesday, A delivered or malled to: Treasurer and Tax Collector – Contracts Section, 500 We Los Angeles, CA 90012. Proposals received after the scheduled deadline will no returned to the sender unopened.

Contact Name: Victor Andrade Contact Phone#: (213) 974-7360

Contact Email: contracts@ttc.lacounty.gov
Last Changed On: 3/19/2008 9:47:46 AM

Back to Last Window